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2005 state budget agreements focus on job growth and economic stimulation while protecting core education funding

LANSING – Michigan will be in a better position to create jobs in the new economy because of the 2005 state budget agreements reached today in Lansing, said Sen. Tony Stamas, R-Midland.

“We need to concentrate on long-term economic stability,” Stamas said. “The best way to do that is to work at getting Michigan’s residents working again. We need to focus on the future.”

The Senate Republicans pushed hard for passage of their JOBS Action Plan as a way to improve Michigan’s economic future. The most recently signed five GOP proposals offer tax incentives to small and mid-sized businesses that invest in job creation. They are the latest in a series of 54 bills signed in less than a year that are designed at spurring economic growth.

Sen. Stamas said Republicans also secured additional funding for Michigan’s fledgling life sciences industry, doubling it from \$15 million to \$30 million in 2005.

“Job creation is essential to the well-being of our state,” Stamas said. “We are dedicated to making solid and sound investments to ensure that Michigan is competitive and successful in the high-tech economy.”

The budget agreement announced today culminates nearly six months of negotiations between the administration and the Legislature and closes a projected \$1.045 billion deficit. The agreement sets state general fund spending at \$8.7 billion in 2005.

The agreement also keeps the state’s foundation aid payment to public schools at its current level of \$6,700 per pupil while ensuring growing school districts receive sufficient funding to meet increased demand.

“It was paramount to me to protect the funding for our schools so they can educate our children well,” Stamas said.

Legislators will put the final touches on the 2005 budget when they return to session on Sept. 8 and will finish before the next fiscal year starts on Oct. 1, 2004.

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